



THE AMERICAN JOBS ACT: IMPACT FOR CALIFORNIA

To create jobs, President Obama unveiled the American Jobs Act – nearly all of which is made up of ideas that have been supported by both Democrats and Republicans, and that Congress should pass right away to get the economy moving now. The purpose of the American Jobs Act is simple: put more people back to work and put more money in the pockets of working Americans. And it would do so without adding a dime to the deficit. The American Jobs Act includes:

1. Pathways Back to Work for Americans Looking for Jobs.

- The most sweeping reforms to the unemployment insurance system in 40 years help those without jobs transition to the workplace. Nationally, those who benefit include 1.4 million African Americans, 1.1 million Latinos, and 235,000 Asian American and Pacific Islanders and their families. **This could help put the 1,023,000 long-term unemployed workers in California back to work.**
- Extend unemployment insurance, **preventing 356,900 people looking for work in California from losing their benefits in just the first 6 weeks.** And, across the country, the number saved from losing benefits would triple by the end of the year. This includes 1.4 million African Americans, 1.1 million Latinos, and 300,000 Asian American and Pacific Islanders and their families.
- A new Pathways Back to Work Fund to provide hundreds of thousands of low-income youth and adults with opportunities to work and to achieve needed training in growth industries. With an unemployment rate of 46.5% for African American youth, 19.3% for Latino youth, and 13.8% for Asian American youth, this program will create summer jobs for those hardest-hit by the recession including dedicated funds for the outlying areas including the Pacific Island areas. **Pathways Back to Work could place 19,800 adults and 58,600 youths in jobs in California.**
- Make it unlawful to refuse to hire applicants solely because they are unemployed or to include in a job posting a provision that unemployed persons will not be considered.
- **All of these provisions could help 793,000 people looking for a job in the Los Angeles Metropolitan area.**

2. Putting Workers Back on the Job While Rebuilding and Modernizing America

- \$50 billion nationally in immediate investments for highways, transit, rail and aviation, helping to modernize infrastructure and putting hundreds of thousands of construction workers back on the job. This plan will make **immediate investments of at least \$3,963,800,000 in California that could support a minimum of approximately 51,500 local jobs.** An additional \$10 million will be invested to help minority-owned and disadvantaged business enterprises gain better access to transportation contracts.

- Invest \$35 billion nationally to prevent layoffs of up to 280,000 teachers, while supporting the hiring of tens of thousands more and keeping cops and firefighters on the job. These funds would help states and localities - including outlying Pacific Island areas - avoid and reverse layoffs now, and will provide **\$3,621,300,000 to California to support up to 37,300 educator and first responder jobs. *The LAUSD share of that funding for education jobs would be about \$520 million.***
- A \$25 billion investment in school infrastructure that will modernize at least 35,000 public schools – investments that will create jobs, while improving classrooms and upgrading our schools to meet 21st century needs. **California will receive \$2,812,600,000 to support as many as 36,600 jobs. *LAUSD's share of this funding for modernization would be approximately \$750 million – the second most of any school district in the country.***
- Invest \$15 billion to put construction workers on the job rehabilitating and refurbishing hundreds of thousands of vacant and foreclosed homes and businesses. **California could receive about \$1,853,700,000, in addition to funds that would be available through a competitive application.**
- \$5 billion of investments for facilities modernization needs at community colleges. Investment in modernizing community colleges ensure these local, bedrock education institutions have the facilities and equipment to address current workforce demands in today's highly technical and growing fields. **California could receive \$1,131,100,000 for its community colleges.**
- Returning Heroes Tax Credit of up to \$5,600 for hiring unemployed veterans who have been looking for a job for more than six months, and a Wounded Warriors Tax Credit of up to \$9,600 for hiring unemployed workers with service connected disabilities who have been looking for a job for more than six months, while creating a new task force to maximize career readiness of service members.

3. Tax Relief for Every American Worker and Family

- Expand the payroll tax cut passed last December by cutting worker payroll taxes in half next year. This will help increase the paychecks of 18.5 million African American, 25 million Latino, and 7.6 million Asian American and Pacific Islander workers. **A typical household in California with a median income of around \$56,000 will receive a tax cut of around \$1,740. An estimated 5.1 million people working in the Los Angeles Metropolitan area will benefit.**

4. Help America's Small Businesses Hire and Grow

- Cut the payroll tax in half to 3.1% for employers on the first \$5 million in wages, providing broad tax relief to all businesses but targeting it to the 98 percent of firms with wages below this level. 100,000 African American owned and 250,000 Latino owned small businesses will benefit. **710,000 firms in California and 286,000 firms in the Los Angeles Metropolitan area will receive a payroll tax cut under the American Jobs Act.**

For more information, please go online to: www.karenbass.house.gov or www.whitehouse.gov.